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1. The inauguration of the Increased Production and Austerity Movement by the Chinese Communists has caused various groups to raise a number of questions, including the following:
 - a. Has the Increased Production and Austerity Movement met with economic difficulties for which no remedies are possible?
 - b. Is the Movement a short-term or long-term one?
 - c. Does austerity mean a general lowering of the people's standard of living?
 - d. Which is the greatest danger - lavish spending or corruption?
 - e. Will strict austerity affect normal work?
 - f. Is lavish spending of personal property also an error?
 - g. Is this Movement concerned only with financial and economic organizations?
 - h. Does the Increased Production and Austerity Movement have any similarities with production and austerity programs launched by the reactionaries in the past?
2. On 1 December 1951 the Central Authorities of the Chinese Communist Party answered these questions with explanations intended both to correct distortions and mistakes which had arisen about the Movement and to launch an intensive propaganda campaign for the general public. The main points in answer were as follows:
 - a. "Our victory is secured after having overcome countless difficulties, but we still have to face and meet innumerable obstacles. In order to support

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the Korean War and to bring it to a victorious conclusion, the People's Volunteer Army requires greater support. In any case, our rigid practice of increased production and austerity is not an indication of helplessness but of our power and resourcefulness; this Movement will explore the unlimited power of the Chinese people and will save strength normally wasted.

- b. "The Increased Production and Austerity Movement is not a short-term mission, but must be carried unflinchingly through the New Democratic period to the period of Socialism and finally to the realization of Communism.
- c. "The Movement does not anticipate any lowering of the people's standard of living, although a lower standard is imperative for those who live extravagantly. In other cases, however, where further austerity would affect the efficiency and health of the people, it must be avoided.
- d. "We must not forget that the People's Central Government is the first honest and pure government which China has ever had. Most of the cadres are hard-working, loyal, honest and pure; the corrupt ones are negligible in number. Our present waste of national finance and resources, although incomparably less than that which occurred under the reactionaries, is startlingly dangerous and is more of a threat than corruption.
- e. "Some organizations overlap others and have a complicated organizational pattern; this is not only unhealthy to government service but also affects efficiency. Such organizations are surely unnecessary. Take also, for example, those meetings which often involve dinners, theatrical performances, issuance of souvenir badges, memorial printed matter, fresh flowers and fruits. Meetings can be well conducted without these frills. Things which only waste manpower and materials should be dispensed with; this kind of austerity will produce no detrimental effect on work.
- f. "Although we must rely upon increases in nationally-controlled wealth for the accumulation of capital for industrial construction, individual savings are also important. If individuals spend lavishly, evil effects will certainly follow. Therefore, waste of personal property is not right.
- g. "Individuals not working in financial and economic organizations, who pay attention to austerity and who do not commit bribery and corruption, can also save much wealth for the nation. We must not tolerate small wastes or less than maximum savings; in forming social attitudes for increased production and austerity everyone has his duty.
- h. "Production and austerity programs promoted by the reactionaries were not designed to benefit the people or the country; any such stated objectives were mere hypocrisy. The reactionaries wanted the people to tighten their belts while they themselves ate well, clothed themselves well, and were extravagant and corrupt. The result was that their programs of increased production and austerity aroused only hatred from the people. Since there is an essential difference between our movement and previous programs promoted by the reactionaries, we can admit no similarities. Ours is entirely for the benefit of the country and its people. It aims to hasten China's industrialization; to help the People's Volunteer Army defeat the American imperialists; to make our honest, pure and efficient government even more honest, pure and efficient; and to improve the standard of living of the people. It is only natural that such a movement should secure the support of the people all over the nation."

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